



CHAPTER 147

An Act respecting the giving in payment by the *Chambre de Commerce du District de Montréal* to *Crédit Foncier Franco-Canadien*

[Assented to, the 17th of May, 1937]

WHEREAS *Crédit Foncier Franco-Canadien*, a corporation having its chief place of business in the city of Montreal, Province of Quebec, has, by its petition represented: Preamble.

That, on the 4th of June, 1925, under a deed of loan passed before René Faribault, notary, and registered in the Montreal Registry Office under No. 82672, the *Chambre de Commerce du District de Montreal*, hereinafter called the Chamber, acknowledged to owe to the petitioner the sum of one hundred thousand dollars for the loan of a like sum which it undertook to repay within a period of five years from the 1st of June, 1925, and, until final repayment of the said sum, to pay the interest thereon at the rate of six and one-half per cent per annum;

That as security and guarantee of the sum loaned and of the interest which it would produce, and of the costs and other accessories payable in virtue of the contract, the Chamber affected and hypothecated the following immoveable properties, with the buildings thereon erected:

1.—A site consisting of the lots of land known and described under Nos. one hundred and forty, and one hundred and forty-one, and No. one of the official subdivision of the original lot No. one hundred and forty-two, (140, 141, 142-1), all of the official plan and book of reference of the Centre Ward of the city of Montreal, fronting on St. James street;

2. A lot of land known and described under No. two of the official subdivision of the original lot No. one hundred and forty-two (142-2) of the official plan and book of reference of the Centre Ward of the city of Montreal, fronting on St. Gabriel street;

That, by a deed of trust passed before René Faribault, notary, on the 15th of June, 1925, and registered in the registry office of Montreal under No. 83959, the Chamber issued bonds for an amount of ninety thousand dollars repayable in twenty years and bearing interest at the rate of seven per cent per annum;

That, in order to guarantee the repayment of the principal of the bonds and payment of the interest thereon, the Chamber specially hypothecated, pledged, charged and affected, to and in favour of *La Société d'Administration Générale* (now known under the name of *Société d'Administration et de Fiducie*), the trustee for the bondholders, and ceded and transferred to it under the same title, the above described immovable properties;

That the Chamber has failed to fulfil the provisions of the above cited deed of trust, and the hypothecary guarantee, pledge and charge resulting therefrom have become due, executory and exigible;

That the Chamber, being unable to honour its undertakings under the trust deed, has availed itself of the provisions of the act facilitating compromises or arrangements between companies and their creditors, 23-24 George V, chapter 36, known as "The Companies' Creditors Arrangement Act, 1933", and proposed a compromise or arrangement to its bondholders;

That, by an order of the Superior Court of the district of Montreal rendered on the 4th of November, 1936, the compromise or arrangement proposed by the Chamber and accepted by the bondholders was sanctioned and it was declared that the said compromise or arrangement would bind the Chamber, the bondholders and the *Société d'Administration et de Fiducie*, the trustee;

That, by deed before René Faribault, notary, on the 31st of December, 1936, registered in the registry office of Montreal under No. 136467, the trustee, in accordance with the said compromise or arrangement, gave the Chamber a general and final acquittance from all claims for principal and interest, and release from every privilege and hypothec securing the same under the terms of the above-mentioned trust deed;

That the Chamber, knowing it was unable to repay the petitioner the capital of its loan and to pay the interest thereon as well as the municipal taxes and school assessments affecting the above described immoveable properties, proposed to cede and convey such properties to the petitioner in payment and in full and final settlement of any claim against it for capital, interest and accessories;

That doubts have arisen as to the right and power of the Chamber to effect the proposed giving in payment and as to the validity and regularity of the acquittance and of the release of hypothec above mentioned and of the cancellation of the said hypothec;

That the petitioner agreed to accept the giving in payment proposed by the Chamber and to pay the municipal taxes and school assessments aforesaid, on the condition that a valid and definitive title be given to it and that the said properties be clear and free from any hypothec or charge whatsoever, and likewise upon the condition that the deed of such giving in payment, the deed of acquittance and release from hypothec above mentioned and the cancellation of the registration of such hypothec be confirmed, ratified and validated for all legal purposes by a special act of the Legislature of this Province;

That, on the 14th of January, 1937, by a deed of giving in payment before René Faribault, notary, registered in the registry office of Montreal under No. 406381, the Chamber ceded and transferred to the petitioner the above described immoveable properties in payment of any claim for capital, interest and accessories under the above cited deed of loan, and in consideration of a general and final acquittance which was given to it by the petitioner;

That the petitioner and the Chamber are greatly interested that the deeds and the cancellation of hypothec above-mentioned be confirmed, ratified and validated;

Whereas the petitioner has prayed for the passing of an act for the above purposes; and

Whereas it is expedient to grant its prayer;

Therefore, His Majesty, with the advice and consent of the Legislative Council and of the Legislative Assembly of Quebec, enacts as follows:

Validation of
certain deed
of giving in
payment.

1. The deed of giving in payment effected before René Faribault, notary, on the 14th of January, 1937, registered in the registry office of Montreal, under No. 406381, by which the *Chambre de Commerce du District de Montréal* ceded and transferred to the *Crédit Foncier Franco-Canadien* the following immoveable property, with the buildings thereon erected:

Immoveable
concerned.

a. A site consisting of the lots of land known and described under Nos. one hundred and forty and one hundred and forty-one and No. one of the official subdivision of the original lot one hundred and forty-two (140, 141 and 142-1), all of the official plan and book of reference of the Centre Ward of the city of Montreal, fronting on St. James Street;

Idem.

b. A lot of land known and described under No. two of the official subdivision of the original lot No. one hundred and forty-two (142-2) of the official plan and book of reference of the Centre Ward of the city of Montreal, fronting on St. Gabriel street.—

Is confirmed, ratified and validated for all legal purposes, and such deed shall constitute a valid and definitive title with respect to any person, firm or corporation.

Validation of
certain ac-
quittance
and release.

2. The acquittance and release from hypothec executed by the *Société d'Administration et de Fiducie*, as trustee for the bondholders of the *Chambre de Commerce du District de Montréal*, by a deed before René Faribault, notary, on the 31st of December, 1936, registered in the registry office of Montreal under No. 136467, by which the said trustee gave a general and final acquittance of all claim for capital and interest and a release from any privilege or hypothec securing the same under the trust deed passed before the said René Faribault, on the 15th of June, 1925, registered in the registry office of Montreal under No. 83959, and affecting the above described immoveable properties, are confirmed, ratified and validated for all legal purposes, and are binding upon the *Chambre de Commerce du District de Montréal*, the above named trustee and the bondholders in all respects, and similarly the cancellation of such privilege and hypothec is confirmed, ratified and validated.

Coming into
force.

3. This act shall come into force on the day of its sanction.